

**DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM**

CONDOMINIUM PROJECT NAME	TRIPLE K FARMS
Project Address	66-952 AND 66-952A Kuewa Drive Waialua, Hawaii 96791
Registration Number	7265 (conversion)
Effective Date of Report	August 15, 2012
Developer(s)	Troy Keikilani Achiu, Rocky Alan Rivera and Pamela Jean Rivera

Preparation of this Report

The Developer prepared this report to disclose relevant information, including "material facts", that are reasonably known to the Developer about the condominium project covered by this report. This report has been prepared pursuant to the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, as amended from time to time. The law defines "material facts" to mean "any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale."

This report has not been prepared or issued by the Real Estate Commission or any other governmental agency. The issuance by the Commission of an effective date for this Developer's Public Report (1) does not mean that the Commission approves or disapproves of the project; (2) does not mean that the Commission thinks that either all material facts or all pertinent changes, or both, about the project have been fully or adequately disclosed; and (3) is not the Commission's judgment of the value or merits of the project.

This report may be used by the Developer for promotional purposes only if it is used in its entirety. No person shall advertise or represent that the Commission has approved or recommended the project, this report or any of the documents submitted with Developer's application for registration of this project.

This report will be amended if, after the effective date of this report, any changes, either material or pertinent changes, or both, occur regarding the information contained in or omitted from this report. In that case, the Developer is required to submit immediately to the Commission an amendment to this report or an amended Developer's Public Report, clearly reflecting the changes, including any omitted material facts, together with such supporting information as may be required by the Commission. In addition, the Developer may choose at any time to change or update the information in this report. Annually, at least thirty days prior to the anniversary date of the Effective Date of this report, the Developer shall file an annual report to update the material contained in this report. If there are no changes, the Developer is required to state that there are no changes. The Developer's obligation to amend this report or to file annual reports ends when the initial sales of all units in the project have been completed.

Purchasers are encouraged to read this report carefully and to seek professional advice before signing a sales contract for the purchase of a unit in the project.

Signing a sales contract may legally bind a purchaser to purchase a unit in the project, though a purchaser may have rights to cancel or rescind a sales contract under particular circumstances that may arise.

This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.

SPECIAL ATTENTION

[Use this page for special or significant matters which should be brought to the purchaser's attention and that are not covered elsewhere in this report.]

THERE ARE COUNTY RESTRICTIONS ON THE NUMBER OF RESIDENTIAL FARM DWELLING UNITS, OR OTHER STRUCTURES, WHICH MAY BE BUILT UPON THE PROPERTY. THEREFORE, UNLESS THE PURCHASER IS PURCHASING AN EXISTING RESIDENTIAL DWELLING, THERE IS NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO BUILD A RESIDENTIAL DWELLING UNIT ON THE PROPERTY. THERE ALSO IS NO ASSURANCE THAT THE PURCHASER WILL BE ABLE TO CONVERT AN EXISTING NON-RESIDENTIAL STRUCTURE TO A RESIDENTIAL USE. THE PURCHASER SHOULD CONSULT WITH THE APPROPRIATE COUNTY AGENCIES TO DETERMINE WHETHER THE PURCHASER MAY BUILD A RESIDENTIAL DWELLING UNIT, OR ANY OTHER TYPE OF STRUCTURE, UPON THE PROPERTY.

1. This Public Report does not constitute an approval of the project by the Real Estate Commission or any other governmental agency, nor does it ensure that all county codes, ordinances and subdivisions requirements have necessarily been complied with.
2. This Project does not involve the sale of individual subdivided lots. The land area beneath and immediate adjacent to each unit as shown on the condominium map is designated as a limited common element and does not represent a legally subdivided lot. The dotted lines on the condominium map merely represent the approximate location of the limited common element assigned to each unit.
3. FARM DWELLING. Hawaii law requires that the family occupying a residence on agricultural land derive income from farming activities conducted on the Project. Each unit herein, whether now or subsequently entitled to construct a farm dwelling is required to engage in agricultural activity as a condition of obtaining a building permit and keeping residential improvements on the property. The actual level of agricultural activity within the Project needed to qualify to construct farm dwellings is determined by the City and County of Honolulu and such requirements may change from time to time. Each owner's action may affect the ability of other owners to build a farm dwelling and each owner shall have an obligation to engage in bona fide agricultural activity so long as the same is required by law.

THE PROSPECTIVE PURCHASER IS CAUTIONED TO CAREFULLY REVIEW THE CONDOMINIUM DOCUMENTS FOR FURTHER INFORMATION REGARDING THE FORGOING.

TABLE OF CONTENTS

	<u>Page</u>
Preparation of this Report.....	1
General Information On Condominiums.....	2
Operation of the Condominium Project.....	2
1. THE CONDOMINIUM PROJECT.....	3
1.1 The Underlying Land.....	3
1.2 Buildings and Other Improvements.....	3
1.3 Unit Types and Sizes of Units.....	3
1.4 Parking Stalls.....	4
1.5 Boundaries of the Units.....	4
1.6 Permitted Alterations to the Units	4
1.7 Common Interest.....	4
1.8 Recreational and Other Common Facilities.....	4
1.9 Common Elements.....	5
1.10 Limited Common Elements.....	5
1.11 Special Use Restrictions	5
1.12 Encumbrances Against Title.....	5
1.13 Uses Permitted by Zoning and Zoning Compliance Matters	6
1.14 Other Zoning Compliance Matters.....	6
1.15 Conversions	7
1.16 Project In Agricultural District.....	8
1.17 Project with Assisted Living Facility.....	8
2. PERSONS CONNECTED WITH THE PROJECT.....	9
2.1 Developer.....	9
2.2 Real Estate Broker.....	9
2.3 Escrow Depository.....	9
2.4 General Contractor.....	9
2.5 Condominium Managing Agent.....	9
2.6 Attorney for Developer	9
3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS	10
3.1 Declaration of Condominium Property Regime	10
3.2 Bylaws of the Association of Unit Owners	10
3.3 Condominium Map.....	10
3.4 House Rules.....	11
3.5 Changes to the Condominium Documents.....	11
3.6 Rights Reserved by the Developer to Make Changes to the Condominium Project or Condominium Documents.....	11
4. CONDOMINIUM MANAGEMENT.....	12
4.1 Management of the Common Elements	12
4.2 Estimate of the Initial Maintenance Fees.....	12
4.3 Utility Charges to be Included in the Maintenance Fee.....	12
4.4 Utilities to be Separately Billed to Unit Owner	12
5. SALES DOCUMENTS.....	13
5.1 Sales Documents Filed with the Real Estate Commission.....	13
5.2 Sales to Owner-Occupants.....	13
5.3 Blanket Liens.....	13
5.4 Construction Warranties	13
5.5 Status of Construction, Date of Completion or Estimated Date of Completion.....	14

TABLE OF CONTENTS

	Page
5.6 Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance	14
5.6.1 Purchaser Deposits Will Not Be Disbursed Before Closing or Conveyance.....	14
5.6.2 Purchaser Deposits Will Be Disbursed Before Closing.....	14
5.7 Rights Under the Sales Contract	16
5.8 Purchaser's Right to Cancel or Rescind a Sales Contract	16
5.8.1 Purchaser's 30-Day Right to Cancel a Sales Contract.....	17
5.8.2 Right to Cancel a Sales Contract if Completion Deadline Missed.....	17
5.8.3 Purchaser's Right to Rescind a Binding Sales Contract After a Material Change	17
6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT.....	18
EXHIBIT A: Description of Units	
EXHIBIT B: Common Elements and Limited Common Elements	
EXHIBIT C: Encumbrances Against Title	
EXHIBIT D: Summary of Sales Contract	
EXHIBIT E: Summary of Escrow Agreement	
EXHIBIT F: City and County of Honolulu, Department of Planning and Permitting Letter dated April 27, 2012	
EXHIBIT G: City and County of Honolulu, Department of Planning and Permitting letter dated November 14, 2011 - Zoning Variance No. 2011/VAR-19	
EXHIBIT H: Architect's Inspection Report dated June 4, 2012	

General Information On Condominiums

A condominium is a special form of ownership of real property. To create a condominium in Hawaii after July 1, 2006, the Condominium Property Act, Chapter 514B, Hawaii Revised Statutes, must be followed. In addition, certain requirements and approvals of the county in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land and/or the building(s) and other improvements are leased to the purchaser. The lease for the land usually requires that at the end of the lease term, the lessees (unit owners) deliver their interest in the land to the lessor (fee property owner).

If you are a typical condominium unit owner, you will have two kinds of ownership: (1) ownership in your individual unit; and (2) a percentage interest in the common elements.

You will be entitled to exclusive ownership and possession of your unit. Subject to the documents governing them, condominium units may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift or operation of law.

Your unit will, however, be part of the group of units that comprise the condominium project. Study the project's Declaration of Condominium Property Regime, Bylaws of the Association of Unit Owners, Condominium Map and House Rules, if any, which are being concurrently delivered to you with this report. These documents contain important information on the use and occupancy of the units and the common elements of the project, as well as the rules and regulations of conduct for unit owners, tenants and guests.

Operation of the Condominium Project

The Association of Unit Owners is the entity through which unit owners may take action with regard to the administration, management and operation of the condominium project. Each unit owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as a unit owner. The Board and officers can take certain actions without the vote of the unit owners. For example, the Board may hire and fire employees, increase or decrease maintenance fees, adopt budgets for revenues, expenses and reserves and regulate the use, maintenance, repair and replacement of common elements. Some of these actions may significantly impact the unit owners.

Until there is a sufficient number of purchasers of units to elect a majority of the Board, it is likely at first that the Developer will effectively control the affairs of the Association. It is frequently necessary for the Developer to do so during the early stages of development and the Developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective purchasers should understand that it is important to all unit owners that the transition of control from the Developer to the unit owners be accomplished in an orderly manner and in a spirit of cooperation.

1. THE CONDOMINIUM PROJECT

1.1 The Underlying Land

Fee Simple or Leasehold Project	<input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (attach Leasehold Exhibit)
Developer is the Fee Owner	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Fee Owner's Name if Developer is not the Fee Owner	
Address of Project	66-952 and 66-952A Kuewa Drive Waialua, Hawaii 96791
Address of Project is expected to change because	
Tax Map Key (TMK)	(1) 6-6-029-011
Tax Map Key is expected to change because	Addition of CPR Nos.
Land Area	6.137 acres
Developer's right to acquire the Property if Developer is not the Fee Owner (describe)	

1.2 Buildings and Other Improvements

Number of Buildings	2
Floors Per Building	1
Number of New Building(s)	
Number of Converted Building(s)	2
Principle Construction Materials (concrete, wood, hollow tile, steel, glass, etc.)	wood, concrete, hollow tile, and other allied building materials.

1.3 Unit Types and Sizes of Units

Unit Type	Quantity	BR/Bath	Net Living Area	Net Other Areas	Other Areas (lanai, garage, etc)	Total Area
66-952	1	3/2	842	450/1160/918	carport/deck/	
					storage	3371
66-952A	1	4/2	1004	36/178/250/	porch/lanai/	
				391	laundry-storg.	
					carport	1859
See Exhibit <u> A </u>						

2	Total Number of Units
---	-----------------------

Note: Net Living Area is the floor area of the unit measured from the interior surface of the perimeter walls of the unit. Other documents and maps may give floor area figures that differ from those above because a different method of determining floor area may have been used.

1.4 Parking Stalls

Total Parking Stall in the Project:	4
Number of Guest Stalls in the Project:	0
Number of Parking Stalls Assigned to Each Unit:	2
Attach Exhibit _____ specifying the Parking Stall number(s) assigned to each unit and the type of parking stall(s) (regular, compact or tandem and indicate whether covered or open).	
If the Developer has reserved any rights to assign or re-assign parking stalls, describe such rights.	

1.5 Boundaries of the Units

Boundaries of the unit: The boundary of each unit is the exterior finished surfaces of the units perimeter walls, floors, roof, doors, and foundations.
--

1.6 Permitted Alterations to the Units

Permitted alterations to the unit (if the unit is defined as a non-physical or spatial portion of the project, also describe what can be built within such portion of the project): Non-structural interior alterations do not require any consent. There are restrictions and limitations on exterior alterations and renovations. See Section 15.0 of the Declaration.

1.7 Common Interest

<u>Common Interest:</u> Each unit will have a percentage interest in the common elements appurtenant to each unit. This interest is called the "common interest". It is used to determine each unit's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by unit owners. The common interest for each unit in this project, as described in Declaration, is:	
Described in Exhibit _____.	
As follows:	
Unit	Percentage Common Interest
Unit 66-952	50%
Unit 66-952A	50%
Total:	100%

1.8 Recreational and Other Common Facilities (Check if applicable):

<input type="checkbox"/>	Swimming pool
<input type="checkbox"/>	Laundry Area
<input type="checkbox"/>	Storage Area
<input type="checkbox"/>	Tennis Court
<input type="checkbox"/>	Recreation Area
<input type="checkbox"/>	Trash Chute/Enclosure(s)
<input type="checkbox"/>	Exercise Room
<input type="checkbox"/>	Security Gate
<input type="checkbox"/>	Playground
<input type="checkbox"/>	Other (describe):

1.9 Common Elements

Common Elements: Common elements are those parts of the condominium project other than the individual units and any other real estate for the benefit of unit owners. Although the common elements are owned jointly by all unit owners, those portions of the common elements that are designated as limited common elements (see Section 1.10 below) may be used only by those units to which they are assigned. In addition to the common facilities described in Section 1.8 above, the common elements for this project, as described in the Declaration, are set forth below.

Described in Exhibit B _____.

Described as follows:

Common Element	Number
Elevators	0
Stairways	0
Trash Chutes	0

1.10 Limited Common Elements

Limited Common Elements: A limited common element is a portion of the common elements that is reserved for the exclusive use of one or more but fewer than all units in the project.

Described in Exhibit B _____.

Described as follows:

1.11 Special Use Restrictions

The Declaration and Bylaws may contain restrictions on the use and occupancy of the units. Restrictions for this project include, but are not limited to, those described below.

<input checked="" type="checkbox"/>	Pets: Domestic pets are permitted. Bylaws, Art. V, Section 3.A(10).
<input type="checkbox"/>	Number of Occupants:
<input type="checkbox"/>	Other:
<input type="checkbox"/>	There are no special use restrictions.

1.12 Encumbrances Against Title

An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of a unit in the project. Encumbrances shown may include blanket liens which will be released prior to conveyance of a unit (see Section 5.3 on Blanket Liens).

Exhibit C _____ describes the encumbrances against title contained in the title report described below.

Date of the title report: July 24, 2012

Company that issued the title report: Title Guaranty of Hawaii, Inc.

1.13 Uses Permitted by Zoning and Zoning Compliance Matters

Uses Permitted by Zoning				
	Type of Use	No. of Units	Use Permitted by Zoning	Zoning
<input checked="" type="checkbox"/>	Residential		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	AG-1/R-5
<input type="checkbox"/>	Commercial		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Mix Residential/Commercial		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Hotel		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Timeshare		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Ohana		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Industrial		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input checked="" type="checkbox"/>	Agricultural	2	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	AG-1/R-5
<input type="checkbox"/>	Recreational		<input type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/>	Other (Specify):		<input type="checkbox"/> Yes <input type="checkbox"/> No	
Is/Are this/these use(s) specifically permitted by the project's Declaration or Bylaws?			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Variances to zoning code have been granted.			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Describe any variances that have been granted to zoning code			Allows reconstruction of both farm dwellings that lack minimum lot area.	

1.14 Other Zoning Compliance Matters

Conforming/Non-Conforming Uses, Structures and Lots			
<p>In general, a non-conforming use, structure or lot is a use, structure or lot that was lawful at one time but that does not now conform to present zoning requirements. Under present zoning requirements, limitations may apply to extending, enlarging or continuing the non-conformity and to altering and repairing non-conforming structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.</p> <p>If a variance has been granted or if uses, structures or lots are either non-conforming or illegal, the purchaser should consult with county zoning authorities as to possible limitations that may apply in situations such as those described above.</p> <p>A purchaser may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure or lot.</p>			
	Conforming	Non-Conforming	Illegal
Uses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Structures	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Lot	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>If a non-conforming use, structure or lot exists in this project, this is what will happen under existing laws or codes if the structure is damaged or destroyed:</p> <p>Zoning Variance No. 2011/VAR-19 permits the reconstruction of a dwelling if it were damaged or destroyed. See Exhibit G which is the Variance.</p>			

1.15 Conversions

Developer's statements regarding units that may be occupied for residential use and that have been in existence for five years or more.	<input checked="checked" type="checkbox"/> Applicable <input type="checkbox"/> Not Applicable
Developer's statement, based upon a report prepared by a Hawaii-licensed architect or engineer, describing the present condition of all structural components and mechanical and electrical installations material to the use and enjoyment of the units: See Architect's Inspection Report attached as Exhibit "H"	
Developer's statement of the expected useful life of each item reported above: No statement is made by the Developer	
List of any outstanding notices of uncured violations of any building code or other county regulations: 	
Estimated cost of curing any violations described above: 	

Verified Statement from a County Official
Regarding any converted structures in the project, attached as Exhibit <u> F </u> is a verified statement signed by an appropriate county official which states that either:
<div style="margin-left: 20px;"> (A) The structures are in compliance with all zoning and building ordinances and codes applicable to the project at the time it was built, and specifying, if applicable: <div style="margin-left: 20px;"> (i) Any variances or other permits that have been granted to achieve compliance; (ii) Whether the project contains any legal non-conforming uses or structures as a result of the adoption or amendment of any ordinances or codes; and (iii) Any violations of current zoning or building ordinances or codes and the conditions required to bring the structure into compliance; </div> </div> <div style="text-align: center; margin: 10px 0;">or</div> <div style="margin-left: 20px;"> (B) Based on the available information, the county official cannot make a determination with respect to the foregoing matters in (A) above. </div>
Other disclosures and information:

1.16 Project In Agricultural District

Is the project in an agricultural district as designated by the land use laws of the State of Hawaii? If answer is "Yes", provide information below.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable state and county land use laws? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If the answer is "No", provide explanation.	
Are the structures and uses anticipated by the Developer's promotional plan for the project in compliance with all applicable county real property tax laws? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If the answer is "No", provide explanation and state whether there are any penalties for noncompliance.	
Other disclosures and information:	

1.17 Project with Assisted Living Facility

Does the project contain any assisted living facility units subject to Section 321-11(10), HRS? If answer is "Yes", complete information below.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Licensing requirements and the impact of the requirements on the costs, operations, management and governance of the project.	
The nature and the scope of services to be provided.	
Additional costs, directly attributable to the services, to be included in the association's common expenses.	
The duration of the provision of the services.	
Other possible impacts on the project resulting from the provision of the services.	
Other disclosures and information.	

2. PERSONS CONNECTED WITH THE PROJECT

2.1 Developer(s)	Name: Troy Keikilani Achiu Rocky Alan Rivera and Pamela Jean Rivera Business Address: 66-952A Kuewa Drive, Waialua, HI 96791 66-952 Kuewa Drive, Waialua, HI 96791 Business Phone Number : (808) 277-2652 (Pamela Rivera) E-mail Address: privera80@aol.com (Pamela Rivera)
Names of officers and directors of developers that are corporations; general partners of a partnership; partners of a limited liability partnership (LLP); or a manager and members of a limited liability company (LLC) (attach separate sheet if necessary).	
2.2 Real Estate Broker	Name: None selected, see page 18. Business Address: Business Phone Number: E-mail Address:
2.3 Escrow Depository	Name: Title Guaranty Escrow Services, Inc. Business Address: 235 Queen Street, First Floor Honolulu, Hawaii 9683 Business Phone Number: (808) 521-0211
2.4 General Contractor	Name: Not Applicable Business Address: Business Phone Number:
2.5 Condominium Managing Agent	Name: None - Self Managed by Association Unit Owners Business Address: Business Phone Number:
2.6 Attorney for Developer	Name: Michael H. Sakai Business Address: 201 Merchant Street, Suite 902 Honolulu, Hawaii 96813 Business Phone Number: (808) 531-4171

3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The Condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

3.1 Declaration of Condominium Property Regime

The Declaration of Condominium Property Regime contains a description of the land, buildings, units, common interests, common elements, limited common elements, and other information relating to the condominium project.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	July 2, 2012	A-45890782

Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number

3.2 Bylaws of the Association of Unit Owners

The Bylaws of the Association of Unit Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Unit Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters that affect how the condominium project will be governed.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bure	July 2, 2012	A-45890783

Amendments to Bylaws of the Association of Unit Owners

Land Court or Bureau of Conveyances	Date of Document	Document Number

3.3 Condominium Map

The Condominium Map contains a site plan and floor plans, elevations and layout of the condominium project. It also shows the floor plan, unit number and dimensions of each unit.

Land Court Map Number	
Bureau of Conveyances Map Number	5103
Dates of Recordation of Amendments to the Condominium Map:	

3.4 House Rules

The Board of Directors may adopt rules and regulations (commonly called "House Rules") to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the Developer. Changes to House Rules do not need to be recorded to be effective.

The House Rules for this project:

Are Proposed	<input type="checkbox"/>	
Have Been Adopted and Date of Adoption	<input type="checkbox"/>	
Developer does not plan to adopt House Rules	<input checked="" type="checkbox"/>	

3.5 Changes to the Condominium Documents

Changes to Condominium Documents: Changes to the Declaration, Bylaws and Condominium Map are effective only if they are duly adopted and recorded. Where permitted, the minimum percentages of the common interest that must vote for or give written consent to changes to the Declaration, Bylaws and Condominium Map are set forth below. The percentages for any individual condominium project may be more than the minimum set by law if the Declaration or Bylaws for the project so provide.

Document	Minimum Set by Law	This Condominium
Declaration	67%	67%
Bylaws	67%	67%

3.6 Rights Reserved by the Developer to Make Changes to the Condominium Project or Condominium Documents

<input type="checkbox"/>	No rights have been reserved to the Developer to change the Declaration, Bylaws, Condominium Map or House Rules (if any).
<input checked="" type="checkbox"/>	<p>Developer has reserved the right to change the Declaration, Bylaws, Condominium Map and House Rules (if any) and to add to or merge the project or to develop the project in one or more phases, and such rights are summarized as follows:</p> <p>Developer reserved the right to: grant easements; make corrections to the Project Documents; and to make changes to comply with applicable law. See Section 16.0 of Declaration.</p>

4. CONDOMINIUM MANAGEMENT

4.1 Management of the Common Elements

Management of the Common Elements: The Association of Unit Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project.

The initial Condominium Managing Agent for this project is (check one):

<input type="checkbox"/>	Not affiliated with the Developer
<input checked="" type="checkbox"/>	None (self-managed by the Association)
<input type="checkbox"/>	The Developer or an affiliate of the Developer
<input type="checkbox"/>	Other (explain)

4.2 Estimate of the Initial Maintenance Fees See page 18.

Estimate of the Initial Maintenance Fees: The Association will make assessments against your unit to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, a lien may be placed on your unit and the unit may be sold through a foreclosure proceeding. Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.

Exhibit ____ contains a breakdown of the estimated annual maintenance fees and the monthly estimated maintenance fee for each unit, certified to have been based on generally accepted accounting principles, with the Developer's statement as to when a unit owner shall become obligated to start paying the unit owner's share of the common expenses.

4.3 Utility Charges to be Included in the Maintenance Fee

If checked, the following utilities are included in the maintenance fee:	
<input type="checkbox"/>	Electricity for the common elements
<input type="checkbox"/>	Gas for the common elements
<input type="checkbox"/>	Water
<input type="checkbox"/>	Sewer
<input type="checkbox"/>	TV Cable
<input type="checkbox"/>	Other (specify)

4.4 Utilities to be Separately Billed to Unit Owner

If checked, the following utilities will be billed to each unit owner and are not included in the maintenance fee:

<input checked="" type="checkbox"/>	Electricity for the Unit only
<input type="checkbox"/>	Gas for the Unit only
<input checked="" type="checkbox"/>	Water
<input checked="" type="checkbox"/>	Sewer
<input checked="" type="checkbox"/>	TV Cable
<input type="checkbox"/>	Other (specify)

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

<input checked="" type="checkbox"/>	Specimen Sales Contract Exhibit <u>D</u> contains a summary of the pertinent provisions of the sales contract. Including but not limited to any rights reserved by the Developer.
<input checked="" type="checkbox"/>	Escrow Agreement dated: July 2, 2012 Name of Escrow Company: Title Guaranty Escrow Services, Inc. Exhibit <u>E</u> contains a summary of the pertinent provisions of the escrow agreement.
<input type="checkbox"/>	Other:

5.2 Sales to Owner-Occupants

If this project contains three or more residential units, the Developer shall designate at least fifty percent (50%) of the units for sale to Owner-Occupants.

<input type="checkbox"/>	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
<input type="checkbox"/>	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit ____.
<input type="checkbox"/>	Developer has or will designate the units for sale to Owner-Occupants by publication.

5.3 Blanket Liens

Blanket Liens: A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project or more than one unit that secures some type of monetary debt (such as a loan) or other obligation. Blanket liens (except for improvement district or utility assessments) must be released as to a unit before the developer conveys the unit to a purchaser. The purchaser's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the unit to the purchaser.

<input type="checkbox"/>	There are <u>no blanket liens</u> affecting title to the individual units.
<input checked="" type="checkbox"/>	There are <u>blanket liens</u> that may affect title to the individual units.

<u>Type of Lien</u>	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance
Mortgage	A contract could be terminated upon which event all deposits would be returned to the purchaser.

5.4 Construction Warranties

Construction Warranties: Warranties for individual units and the common elements, including the beginning and ending dates for each warranty (or the method of calculating them), are as set forth below:

Building and Other Improvements:

NONE

Appliances:

NONE

5.5 Status of Construction, Date of Completion or Estimated Date of Completion

Status of Construction: Unit 66-952A was constructed in 1960's. Unit 66-952 was originally constructed around 1930 which was subsequently renovated.
Completion Deadline: If a sales contract for a unit is signed before the construction of the unit has been completed, or, in the case of a conversion, completion of any repairs, does not occur by the completion deadline set forth below, one of the remedies available to a purchaser is a cancellation of the purchaser's sales contract. The sales contract may include a right of the Developer to extend the completion deadline for force majeure as defined in the sales contract. The sales contract may also provide additional remedies for the purchaser.
Completion Deadline for any unit not yet constructed, as set forth in the sales contract:
Completion Deadline for any repairs required for a unit being converted, as set forth in the sales contract:

5.6 Developer's Use of Purchaser Deposits to Pay for Project Construction Costs Before Closing or Conveyance

The Developer is required to deposit all moneys paid by purchasers in trust under a written escrow agreement with a Hawaii licensed escrow depository. Escrow shall not disburse purchaser deposits to the Developer or on behalf of the Developer prior to closing, except if a sales contract is canceled or if Developer has met certain requirements, which are described below.

5.6.1 Purchaser Deposits Will Not Be Disbursed Before Closing or Conveyance

<input type="checkbox"/>	The Developer hereby declares by checking the box to the left that it shall use its own funds to complete the construction of the condominium project by the date indicated in Section 5.5 of this report, and the Developer, pursuant to its own analysis and calculations, certifies that it has sufficient funds to complete the construction of the condominium project. <i>If this box is checked, Section 5.6.2, which follows below, will not be applicable to the project.</i>
--------------------------	---

5.6.2 Purchaser Deposits Will Be Disbursed Before Closing

Hawaii law provides that, if certain statutory requirements are met, purchaser deposits in escrow under a binding sales contract may be used before closing to pay for certain project costs. For this project, the Developer indicates that purchaser deposits may be used for the following purposes (check applicable box):	
<input type="checkbox"/>	For new construction: to pay for project construction costs described in the Developer's budget and approved by the Developer's lender or an otherwise qualified, financially disinterested person; or
<input type="checkbox"/>	For conversions: to pay for repairs necessary to cure violations of county zoning and building ordinances and codes, for architectural, engineering, finance and legal fees, and for other incidental expenses.

In connection with the use of purchaser deposits (check Box A or Box B):

<p>Box A</p> <p><input type="checkbox"/></p>	<p>The Developer has submitted all information and documents required by law and the Commission prior to the disbursement of purchaser deposits before closing. This means that the Developer may use such deposits before closing. If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report.</p> <p>If Box A is checked, you should read and carefully consider the following notice, which is required by law:</p> <p><u>Important Notice Regarding Your Deposits:</u> Deposits that you make under your sales contract for the purchase of the unit may be disbursed before closing of your purchase to pay for project costs, construction costs, project architectural, engineering, finance, and legal fees, and other incidental expenses of the project. While the developer has submitted satisfactory evidence that the project should be completed, it is possible that the project may not be completed. If your deposits are disbursed to pay project costs and the project is not completed, there is a risk that your deposits will not be refunded to you. You should carefully consider this risk in deciding whether to proceed with your purchase.</p>
<p>Box B</p> <p><input type="checkbox"/></p>	<p>The Developer has <u>not</u> submitted all information and documents required by law and the Commission, and, until all such information and documents are submitted, thus, the Developer cannot use purchaser deposits.</p> <p>If the Developer later submits all information and documents required by law and the Commission for the use of purchaser deposits, then the Developer must provide an amendment to this report or an amended developer's public report to each purchaser who has signed a sales contract. At such time, the <u>Important Notice Regarding Your Deposits</u> set forth immediately above will apply to all purchasers and will be restated in the amendment to this report or an amended developer's public report. When an effective date for such an amendment or an amended developer's public report is issued, <u>you will not have the right to rescind or cancel the sales contract by reason of such submission and amendment.</u> (This, however, does not affect your right to rescind for material changes or any other right you may have to rescind or cancel the sales contract, as described in Section 5.8 below.) If the Developer decides not to use purchaser deposits before closing, the Developer does not need to amend this report.</p> <p>You should understand that, although the <u>Important Notice Regarding Your Deposits</u> set forth above does not currently apply to you, it might apply to you in the future, and, therefore, you should read and carefully consider it now to ensure that you understand the risk involved in deciding whether to proceed with your purchase.</p>

Material House Bond. If the Developer has submitted to the Commission a completion or performance bond issued by a material house instead of a surety as part of the information provided prior to the use of purchaser deposits prior to closing or conveyance of a unit, the Developer shall disclose the same below and disclose the impact of any restrictions on the Developer's use of purchaser deposits.

5.7 Rights Under the Sales Contract

Before signing the sales contract, prospective purchasers should carefully review all documents relating to the project. These include but are not limited to the documents listed below. Items 2, 3 and 4 are made a part of this public report, as well as Item 5, if any, and are being delivered to you with this report.

1.	Developer's Public Report
2.	Declaration of Condominium Property Regime (and any amendments)
3.	Bylaws of the Association of Unit Owners (and any amendments)
4.	Condominium Map (and any amendments)
5.	House Rules, if any
6.	Escrow Agreement
7.	Hawaii's Condominium Property Act (Chapter 514B, HRS, as amended) and Hawaii Administrative Rules (Chapter 16-107, adopted by the Real Estate Commission, as amended), provided that rules and regulations under Chapter 514B have not yet been adopted.
8.	Other:

Copies of the condominium and sales documents and amendments made by the Developer are available for review through the Developer or through the Developer's sales agent, if any. The Condominium Property Regime law (Chapter 514B, HRS) and the Administrative Rules (Chapter 107, HAR), are available online. Please refer to the following sites:

Website to access official copy of laws: www.capitol.hawaii.gov

Website to access rules: www.hawaii.gov/dcca/har

5.8 Purchaser's Right to Cancel or Rescind a Sales Contract

A purchaser's right to cancel a sales contract or to rescind a sales contract may arise under varying circumstances. In the sections below, some circumstances that will give rise to a purchaser's right to cancel or rescind are described, together with what a purchaser must do if the purchaser wishes to exercise any of the rights.

5.8.1 When a Sales Contract becomes Binding and Purchaser's 30-Day Right to Cancel a Sales Contract

A sales contract signed by a purchaser and the developer will not become binding on a purchaser or the Developer until the following events have taken place:

- (1) The purchaser has signed the sales contract.
- (2) The Developer has delivered to the purchaser a true copy of the developer's public report with an effective date issued by the Commission, together with all amendments to the report as of the date of delivery, and the project's recorded Declaration and Bylaws, House Rules (if any), the Condominium Map and any amendments to them to date (all of which are a part of the developer's public report). If it is impracticable to include a letter-sized Condominium Map, the Developer must provide written notice of an opportunity to examine the Condominium Map.
- (3) The Developer has delivered to the purchaser a notice of the purchaser's 30-day cancellation right on a form prescribed by the Commission.
- (4) The purchaser does at least one of the following:
 - (a) Waives the purchaser's right to cancel the sales contract within 30 days from receipt of the notice of the purchaser's 30-day cancellation right; or

- (b) Allows the 30-day cancellation period to expire without exercising the right to cancel; or
- (c) Closes the purchase of the unit before the 30-day cancellation period expires.

The purchaser or the Developer may cancel the sales contract at any time during the 30-day cancellation period, and the sales contract will be canceled and the purchaser's deposits returned to the purchaser, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of \$250.

5.8.2 Right to Cancel a Sales Contract if Completion Deadline Is Missed

In addition to the purchaser's 30-day cancellation right described in Section 5.8.1 above, when a sales contract is signed before completion of construction of a project, the purchaser will have the right to cancel if the unit is not completed by certain deadlines. In conversion projects, there must be a deadline for completion of any required repairs. Every sales contract shall contain an agreement of the Developer that the completion of construction shall occur on or before the completion deadline, and that completion deadline is set forth in this report in Section 5.5. The sales contract shall provide that the purchaser may cancel the sales contract at any time after the specified completion deadline, if completion of construction does not occur on or before the completion deadline, as the same may have been extended. Upon a cancellation, the purchaser's deposits shall be refunded, less any escrow cancellation fee and other costs associated with the purchase, up to a maximum of \$250.00.

5.8.3 Purchaser's Right to Rescind a Binding Sales Contract After a Material Change

If a "material change" in a project occurs after a purchaser has signed a sales contract that has become binding, the purchaser will have a 30-day right to rescind after notification and description of the material change. A material change is defined in the Condominium Property Act to be any change that "directly, substantially and adversely affects the use or value of (1) a purchaser's unit or appurtenant limited common elements; or (2) those amenities of the project available for the purchaser's use."

The purchaser will be informed of the material change by the developer on a form prescribed by the Commission containing a description of the material change.

After notice of the material change, the purchaser may waive the right to rescind by:

- (1) Checking the waiver box on the rescission form; or
- (2) Letting the 30-day rescission period expire, without taking any action to rescind; or
- (3) Closing the purchase of the unit before the 30-day rescission period expires.

The rescission form must be signed by all purchasers of the affected unit and delivered to the developer no later than midnight of the 30th calendar day after the purchasers received the rescission form from the developer. Purchasers who validly exercise the right of rescission shall be entitled to a prompt and full refund of any moneys paid.

A rescission right shall not apply in the event of any additions, deletions, modifications and reservations including, without limitation, the merger or addition or phasing of a project, made pursuant to the terms of the project's Declaration.

These provisions shall not preclude a purchaser from exercising any rescission rights pursuant to a contract for the sale of a unit or any applicable common law remedies.

6. MISCELLANEOUS INFORMATION NOT COVERED ELSEWHERE IN THIS REPORT

NOT A SUBDIVISION. This is a condominium project which should not be confused with a subdivision. A purchaser of an apartment unit will be conveyed an apartment unit together with an "undivided" percentage interest in the common elements of the project. The entire parcel of land upon which the project is situated is designated as a common element. That portion of the common element which each

MAINTENANCE FEES. All utilities are separately metered and Developer believes that separate or individual homeowners insurance policies will be available to each purchaser of a unit. Based on the foregoing the Developer believes that there will not be a need for any maintenance fees. Certain improvements such as portions of the driveways that are subject to common use may require expenditures in the future for repairs and/or replacement. Developer believes that such expenditures will likely be treated as a special assessment rather than having the Association collect fees from the purchasers on a monthly basis. Each purchaser will be responsible for the maintenance, repair and upkeep of his or her own unit which includes the land area that is deemed a limited common element that is appurtenant to the unit.

DISCLOSURE RE: SELECTION OF REAL ESTATE BROKER. This Public Report shall not bind a purchaser to the sale of a unit until (1) the Developer first submits to the Real Estate Commission a duly executed Amendment to Developer's Public Report identifying the designated sales agent, and duly executed copy of a broker listing agreement with a Hawaii-licensed real estate broker, and (2) give a copy of said Public Report to the purchaser.

LEAD WARNING STATEMENT. Pursuant to federal law, 42 U.S.C. 4852(d), the Residential Lead-Based Paint Reduction Act, "Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazard is recommended prior to purchase". The Developer discloses that he does not have an assessment or inspections relating to lead-based paint.

HAZARDOUS MATERIALS. The Developer neither prepared nor commissioned a Phase 1 Environmental Site Assessment and makes no representations or warranties whatsoever. The Developer has made no independent investigation as to asbestos or other hazardous substances in the apartments or in, under or around the Project, including but not limited to, radioactive materials, organic compounds known as polychlorinated biphenyls, chemicals known to cause cancer or reproductive toxicity, pollutant, contaminants, hazardous wastes, toxic substances, and any and all other substances or materials defined as or included in the definition of "hazardous substances", "hazardous wastes", "hazardous materials" or "toxic substances" under, or for the purposes of, hazardous materials laws. Buyer acknowledges that in light of the age of the Project, there may be asbestos and other hazardous substances in the apartments, or in, under or around the Project. Because of the possible presence of such substances, Buyer should have the apartment inspected to determine the extent (if any) of such contamination and any necessary remedial action. The Developer will not correct any defects in the apartment or in the Project or anything installed or contained therein and Buyer expressly releases the developer from any liability to Buyer if any hazardous materials are discovered.

AS-IS. Each purchaser agrees to accept the conveyance of the unit in "as is - where is" condition.

MANAGEMENT OF THE PROJECT. The Project consists of only two units and will be self-managed. Accordingly, the Developer has elected that Part VI of Chapter 514B (relating to management) shall not apply to the Project.

MANAGEMENT CONFLICTS & DEADLOCKS; DISPUTE RESOLUTION. The Project's Association of Unit Owners and Board of Directors are responsible for management of the Project. Under the Declaration and Bylaws for this Project any decision of the Project's Association or Board requires the concurrence of both Owners or their designated representatives on the Board, respectively. The Declaration and Bylaws contain no provisions for breaking deadlocks. In the event of conflicts, disputes, or deadlocks between the Owners or their representatives on the Board that cannot be resolved by mutual agreement, the Owners' recourse will be to mediate or arbitrate the dispute. Those methods of dispute resolution can be costly and time-consuming, and where there are disputes between Owners, this management structure can impair the efficient operation of the Project.

The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project conforms to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a)(13), HRS.

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

The Developer hereby certifies that all the information contained in this report and the exhibits attached to this report and all documents to be furnished by the Developer to purchasers concerning the project have been reviewed by the Developer and are, to the best of the Developer's knowledge, information and belief, true, correct and complete. The Developer hereby agrees promptly to amend this report to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report at least 30 days prior to the anniversary date of the effective date of this report.

TROY KEIKILANI ACHIU, ROCKY ALAN RIVERA and
PAMELA JEAN RIVERA

Printed Name of Developer

By: 
Duly Authorized Signatory*

July 31, 2012
Date

TROY KEIKILANI ACHIU

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

***Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**


The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project conforms to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a)(13), HRS.

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

The Developer hereby certifies that all the information contained in this report and the exhibits attached to this report and all documents to be furnished by the Developer to purchasers concerning the project have been reviewed by the Developer and are, to the best of the Developer's knowledge, information and belief, true, correct and complete. The Developer hereby agrees promptly to amend this report to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report at least 30 days prior to the anniversary date of the effective date of this report.

TROY KEIKILANI ACHIU, ROCKY ALAN RIVERA and
PAMELA JEAN RIVERA

Printed Name of Developer

By:  July 31, 2012
Duly Authorized Signatory* Date

ROCKY ALAN RIVERA

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

***Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

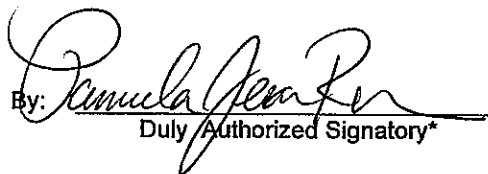
The Developer declares subject to the penalties set forth in Section 514B-69, HRS, that this project conforms to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a)(13), HRS.

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

The Developer hereby certifies that all the information contained in this report and the exhibits attached to this report and all documents to be furnished by the Developer to purchasers concerning the project have been reviewed by the Developer and are, to the best of the Developer's knowledge, information and belief, true, correct and complete. The Developer hereby agrees promptly to amend this report to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report at least 30 days prior to the anniversary date of the effective date of this report.

TROY KEIKILANI ACHIU, ROCKY ALAN RIVERA and
PAMELA JEAN RIVERA

Printed Name of Developer

By: 
Duly Authorized Signatory*

July 31, 2012

Date

PAMELA JEAN RIVERA

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

***Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

EXHIBIT "A"

Description of Units

The Project is hereby divided into the following two (2) freehold estates:

a. Unit 66-952. Unit 66-952 consists of one freehold estate containing a one-story residential structure consisting of 3 bedrooms, 2 bathrooms, living room/dining room/kitchen, laundry room, deck, 4 storage rooms and a 2 car carport. The net living area of this unit is approximately 842 square feet, the carport contain approximately 450 square feet, the deck contain approximately 1,160 square feet, the storage is approximately 918 square feet, for a total of approximately 3,371 square feet. This Unit is serviced by its own cesspool.

b. Unit 66-952A. Unit 66-952A consists of one freehold estate containing a one-story residential structure consisting of 4 bedrooms, 2 bathrooms, living/dining room, kitchen, a laundry/storage room, covered lanai, and a 2 car carport. The net living area of this unit is approximately 1,004 square feet, the front porch is approximately 36 square feet, the covered lanai contain approximately 178 square feet, the laundry/storage area contains approximately 250 square feet, and the carport is approximately 391 square feet, for a total of approximately 1,859 square feet. This unit is serviced by its own cesspool.

EXHIBIT "B"

Common Elements

The common elements of the Project and which the units have immediate access to include:

- a. The land in fee simple described in Exhibit "A" and the Condominium Map.
- b. The central and appurtenant installations for services such as power, light, gas, telephone, sewer, drainage, hot and cold water and like utilities which services more than one unit and any easements for such utility services, if any.
- c. The common easements for drainage and all common or shared installations for underground utilities including electricity, water (including both the water meter and submeter, if any), telephone, and cable television which run upon or under the limited common or common elements, if any.
- d. All other parts of the Project existing for the common use or necessary to the existence, maintenance and safety of the Project including any easements for utilities and for ingress and egress to and from the Roadway Easement.

Limited Common Elements

The land area delineated and designated in the Condominium Map as limited common elements are limited common elements of a unit and consist of the following:

- a. Unit 66-952. The land area surrounding and under Unit 66-952 is a limited common element of Unit 66-952 and is for the exclusive use of Unit 66-952 and consists of a gross area of approximately 2.830 acres (net area of approximately 2.725 acres); subject, however to the Utility Reserve and the Utility Access Reserve 1, as shown on the Condominium Map.
- b. Unit 66-952A. The land area surrounding and under Unit 66-952A is a limited common element of Unit 66-952A and is for the exclusive use of Unit 66-952A and consists of a gross area of approximately 3.244 acres; subject, however, to the Utility Access Reserve 2 and the flood zone as shown on the Condominium Map.
- c. Any fences, walls or utility systems or lines which are located within the limited common land area and which services or benefits only one unit shall be deemed a limited common element of such unit, and an easement shall exist for such line(s) if it is located in another units limited common element land area.

EXHIBIT "C"

Encumbrances Against Title

1. Reservation in favor of the State of Hawaii as to all mineral and metallic mines.
2. Grant in favor of Hawaiian Electric Company, Inc., dated February 5, 1952, recorded in the Bureau of Conveyances, State of Hawaii, in Book 2556, Page 203, granting an easement for utility purposes.
3. The terms and provisions contained in Declaration of Condominium Property Regime for "Triple K Farms" condominium project dated July 2, 2012, recorded in the Bureau of Conveyances, State of Hawaii, as Document No. A-45890782.
4. Condominium Map No. 5103 filed in the Bureau of Conveyances, State of Hawaii.
5. The terms and provisions contained in the Bylaws of the Association of Unit Owners for Triple K Farms condominium project dated July 2, 2012, recorded in the Bureau of Conveyances, State of Hawaii, as Document No. A-45890783.
6. For Real Property Taxes that may be due and owing reference is made to the Department of Finance, City and County of Honolulu.

EXHIBIT "D"

Summary of Sales Contract

The Sales Contract contains the purchase price, description and location of the unit and other terms and conditions under which a Purchaser will agree to buy a unit in the Project.

Among other things, the Sales Contract:

1. Provides a section for financing to be completed and agreed to by the parties which will set forth how Purchaser will pay the purchase price.
2. Identifies the escrow agent and states that purchaser's deposit will be held in escrow until the Sales Contract is closed or canceled.
3. Requires that Purchaser must close the purchase at a certain date and pay closing costs, in addition to the purchase price.
4. Permits the Developer without the consent or approval of a purchaser to modify the Declaration, Bylaws Condominium Map or other documents provided that purchaser may cancel the Sales Contract and obtain a refund if such modification:
 - a. substantially and materially impairs the use and enjoyment of the unit;
 - b. substantially and materially alters the arrangement of the rooms or usable space of a unit or building;
 - c. renders unenforceable a purchasers' loan commitment;
 - d. increases the purchaser's share of common expenses or maintenance fees;
 - e. reduces the obligations of Developer of common expenses on unsold units.
5. Provides that the Developer is selling the units in "AS-IS WHERE-IS" condition. This means that the Developer is not making any warranties or representations with respect to the unit and Project.
6. If purchaser dies (any one of them) prior to closing, Developer has the right to return purchaser's funds, less any escrow cancellation fees and cost, and cancel the Sales Contract.
7. Provides that the closing cost shall be paid as follows:
 - a. By purchaser: title insurance, title report, drafting of unit deed and any note and mortgage, purchaser notary fees, recording fees, one-half of escrow fees, and also a start fee for common expenses, if any.
 - b. By Developer: Developer notary fees, conveyance taxes and one-half of escrow fees.
8. Provides the following remedies, in the event of default under the Sales Contract:

by purchaser:

- a. Developer may bring an action against purchaser for breach of contract;
- b. Developer may retain initial deposit;
- c. Purchaser shall be responsible for expenses incurred.

by Developer:

- a. Purchaser may bring an action against Developer for breach of Contract and for return of all deposits;
- b. Developer shall be responsible for expenses incurred.

Any awards to the prevailing party in any action are subordinate to escrow's expenses.

9. Provides that purchaser may not assign his/her interest in the Sales Contract without the prior written consent of Developer.

The Sales Contract contains various other provisions which purchaser should become acquainted with. If there is a conflict between the terms of this summary and the Sales Contract, the latter shall control.

EXHIBIT "E"

Summary of Escrow Agreement

The Escrow Agreement sets up an arrangement under which the deposits which a purchaser makes under a Sales Contract will be held by a neutral party ("Escrow"). Escrow is Title Guaranty Escrow Services, Inc. Under the Escrow Agreement dated June 19, 2012, these things will or may happen:

(a) Developer or Escrow will let purchasers know when payments are due and all monies received from a purchaser will be deposited in Escrow. Any interest earned on the deposits will belong to Developer.

(b) Escrow will arrange for purchasers to sign all necessary documents.

(c) The Escrow Agreement specifies when purchaser funds may be disbursed upon closing of a sale. The conditions include:

i) Escrow receives the purchasers' signed "Receipt for Public Report(s) and Notice of Right to Cancel";

ii) Escrow receives a certification from the Developer that the Sales Contract is effective and that the rescission right requirements in favor of purchasers have been complied with by the Developer; and

iii) The unit deed conveying the unit to the purchaser has been recorded in the Bureau of Conveyances.

(d) The Escrow Agreement says under what conditions a refund will be made to a purchaser. Refunds can occur under the following situations:

i) If Purchaser elects to cancel the transaction in accordance with the "Notice of Right to Cancel". The Notice provides that purchasers may cancel the Sales Contract if the signed Notice is mailed, sent by telegram or faxed to Developer before (1) the unit is conveyed to purchaser or (2) midnight of the 30th day after delivery of the Public Report(s) to Purchaser, whichever is earlier.

ii) The Developer and purchaser agree to terminate the Sales Contract;

iii) If the Developer exercises any right to cancel the transaction which it may have reserved.

NOTE: If a transaction is cancelled, the purchaser must return all documents to the Developer.

(e) The Escrow Agreement says what will happen to a purchaser's funds upon a default under the Sales Contract. If a purchaser defaults, all deposits previously placed into Escrow will be forfeited by purchaser and Escrow may release such funds to Developer. See paragraph 11 of Escrow Agreement.

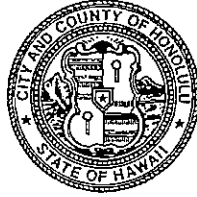
The Escrow Agreement contains various other provisions and establishes certain charges with which the purchaser should become acquainted. If there are any conflicts between the terms of this summary and the Escrow Agreement, the latter shall control.

EXHIBIT "F"

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8000 • FAX: (808) 768-6041
DEPT. WEB SITE: www.honolulu.gov/dpp • CITY WEB SITE: www.honolulu.gov

PETER B. CARLISLE
MAYOR



DAVID K. TANOUE
DIRECTOR

JIRO A. SUMADA
DEPUTY DIRECTOR

2011/ELOG-2695(RLK)

April 27, 2012

Michael H. Sakai, Esq.
Attorney at Law
902 City Financial Tower
201 Merchant Street
Honolulu, Hawaii 96813-2977

Dear Mr. Sakai:

Subject: Condominium Conversion Project
66-952 and 66-952A Kuwewa Drive
Tax Map Key: 6-6-029: 011

This is in response to your letter dated November 27, 2011, requesting verification that the structures on the above-referenced property met all applicable code requirements at the time of construction.

Investigation revealed that the two one-story single-family detached dwellings with four all-weather-surface off-street parking spaces met all applicable code requirements when they were constructed in approximately 1930 (66-952 Kuwewa Drive) and 1962 (66-952A Kuwewa Drive) on this 267,458-square-foot AG-1 Restricted-Agricultural/R-5 Residential-District-zoned lot.

On November 14, 2011, approval was granted (File No. 2011/VAR-19), with conditions, to allow the reconstruction of the two nonconforming single-family (farm) dwellings on an AG-1 Restricted-Agricultural-District lot that lacks the minimum lot area for two single-family (farm) dwellings.

For your information, the Department of Planning and Permitting cannot determine all other legal nonconforming uses or structures, as a result of the adoption or amendment of any ordinance or code.

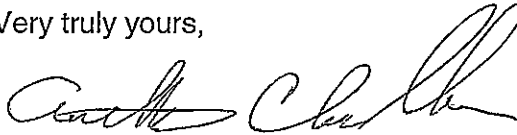
No other variances or permits were granted to allow deviations from any applicable codes.

Conversion to a condominium property regime (CPR) is not recognized by the City and County as an approved subdivision. CPR delineates ownership; it does not create separate lots of record for subdivision and zoning purposes.

Michael H. Sakai, Esq.
April 27, 2012
Page 2

If you have any questions regarding this matter, please contact Alex Sugai of our Commercial and Multi-Family Code Enforcement Branch at 768-8152.

Very truly yours,

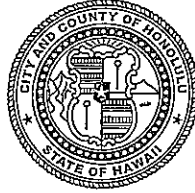

David K. Tanoue, Director
Department of Planning and Permitting

DKT:ft
[931278]

EXHIBIT "G"

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
TELEPHONE: (808) 768-8000 • FAX: (808) 768-6041
DEPT. WEB SITE: www.honolulu.gov • CITY WEB SITE: www.honolulu.gov



PETER B. CARLISLE
MAYOR

DAVID K. TANQUE
DIRECTOR

JIRO A. SUMADA
DEPUTY DIRECTOR

2011/VAR-19 (RM)

November 14, 2011

Mr. Patrick Seguirant
91-1030 Kaihi Street
Ewa Beach, Hawaii 96706

Dear Mr. Seguirant:

Subject: Zoning Variance No. 2011/VAR-19
Applicant: Rocky and Pamela Rivera
Location: 66-952 and 66-952 A Kuewa Drive – Kamananui (Waialua)
Tax Map Key: 6-6-29: 11

The Director of the Department of Planning and Permitting has APPROVED the above variance, subject to certain conditions. A copy of the Director's Findings of Fact, Conclusions of Law, and Decision and Order, including the conditions of approval, is attached.

NOTE: If the variance conditions contain time limits, the Applicant is responsible for complying within those time limits, or the variance will lapse. If the variance is "after-the-fact," and it lapses because of failure to comply with the conditions, the Applicant will be in violation of the zoning code and subject to enforcement proceedings. A new application for the same variance will not be accepted within 12 months of the lapse date.

This variance is limited to those sections of the Land Use Ordinance stated in the Findings of Fact and/or Decision and Order and shall not be construed as approval of any other permit or review by the Department of Planning and Permitting or by any other agency.

Any party (to the case) wishing to appeal the Director's action must submit a written petition to the Zoning Board of Appeals (ZBA) within 30 calendar days from the date of mailing or personal service of the Director's written decision (Rules Relating to Procedure for Appeals, Rule 22-2, Mandatory Appeal Filing Deadline). Essentially, the ZBA rules require that a petitioner show that the Director based his action on an erroneous finding of a material fact, and/or that the Director acted in an arbitrary or capricious manner, or manifestly abused his discretion. Generally, the ZBA can only consider the evidence previously presented to the Director of Planning and Permitting. The filing fee for appeals to the ZBA is \$200 (payable to the City and County of Honolulu).

Mr. Patrick Seguirant
November 14, 2011
Page 2

Failure to comply with ZBA Rules Chapter 22, Procedure for Appeals, may result in the dismissal of the appeal. Copies of the ZBA rules are available at the Department of Planning and Permitting. Appeals should be addressed to:

Zoning Board of Appeals
c/o Department of Planning and Permitting
650 South King Street, 7th Floor
Honolulu, Hawaii 96813

If you have any questions or need additional information concerning this variance, please contact Robert Mills at 768-8052.

Very truly yours,

A handwritten signature in black ink, appearing to read 'David K. Tanoue', written over a horizontal line.

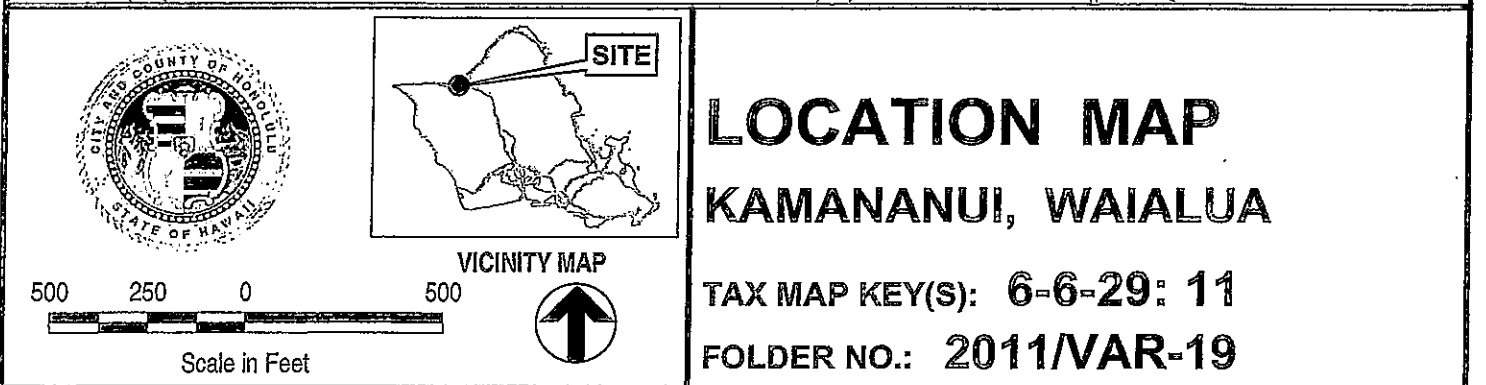
David K. Tanoue, Director
Department of Planning and Permitting

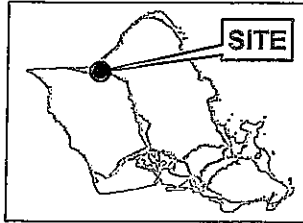
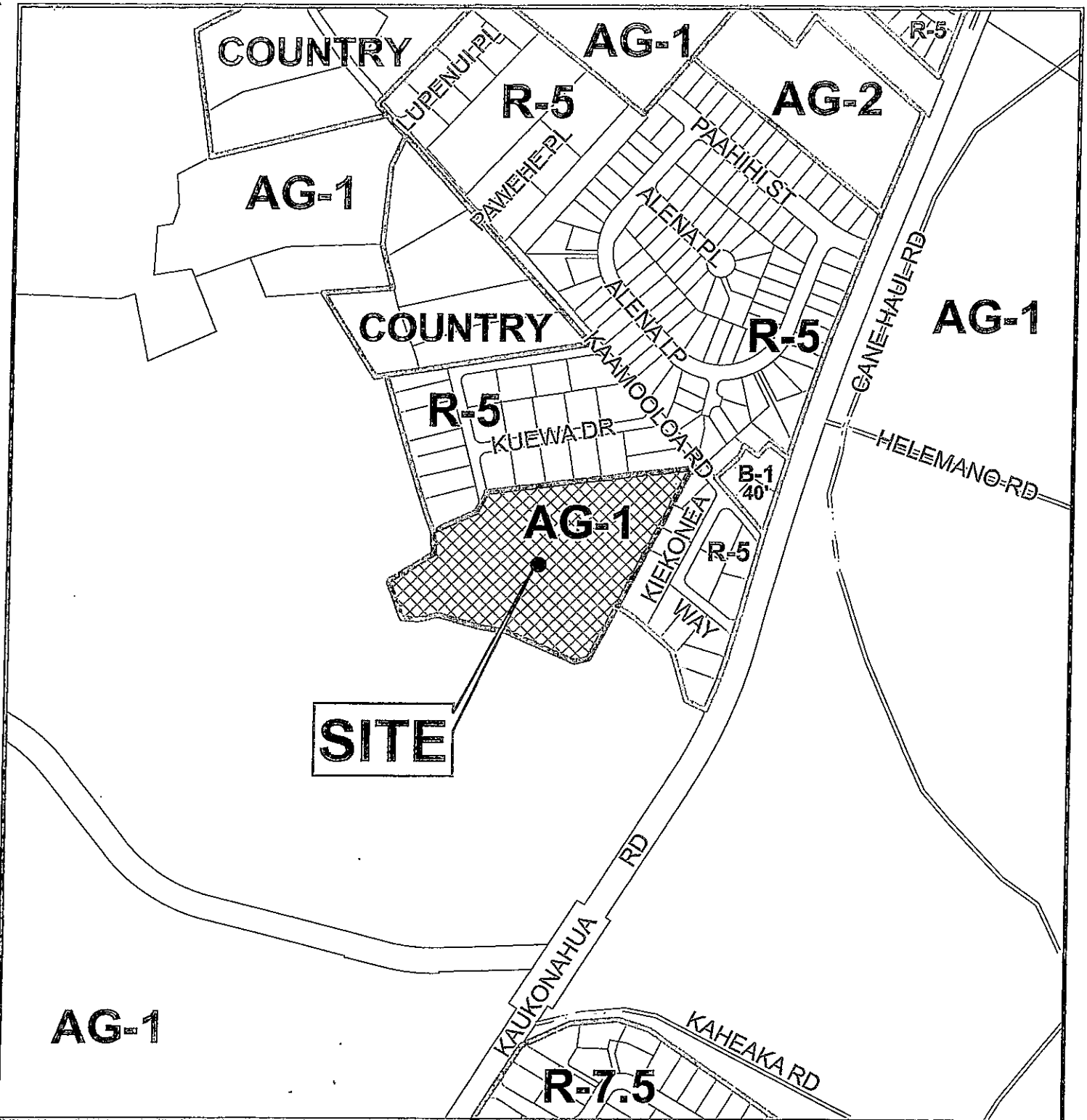
DKT:rk

Encl.

cc: Rocky and Pamela Rivera
Troy Achiu

riveria and achiu dwellings.approval.doc





VICINITY MAP



400 200 0 400

Scale in Feet

PORTION OF **ZONING MAP** MOKULEIA-WAIALUA-HALEIWA

TAX MAP KEY(S): 6-6-29: 11

FOLDER NO.: 2011/VAR-19

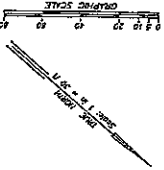
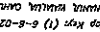
EXHIBIT A-2

Copyright City & County of Honolulu
All Rights Reserved 2011



EXHIBIT A-3

TOPOGRAPHIC SURVEY MAP
PARCEL 11
PORTION GRANT 462
to AANUI KAHU no KALAKANI
Tax Map Key: (1) 6-8-028-011
At KALAKANI WILDLIFE OAHU, HAWAII



1-800-4-A-THIEF

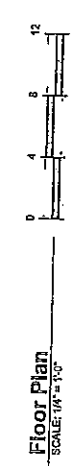
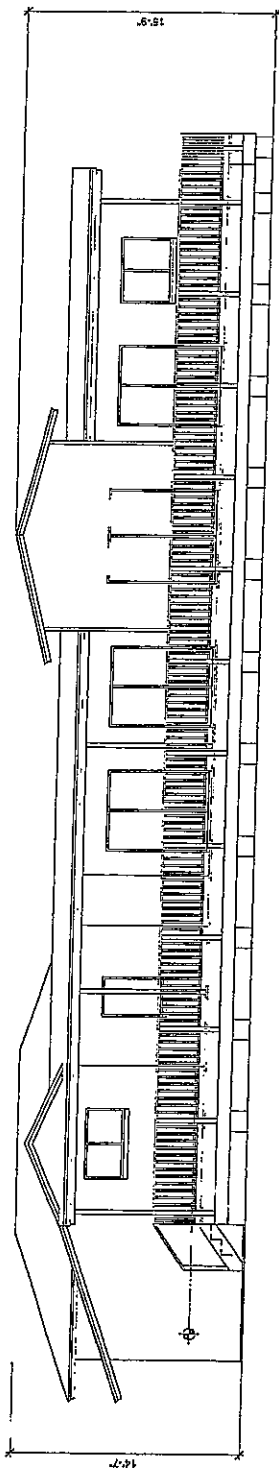
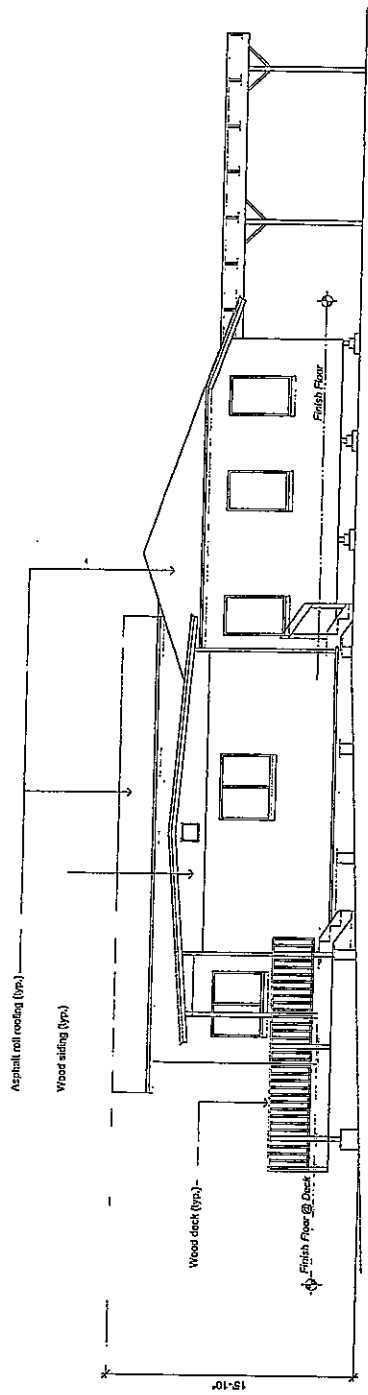


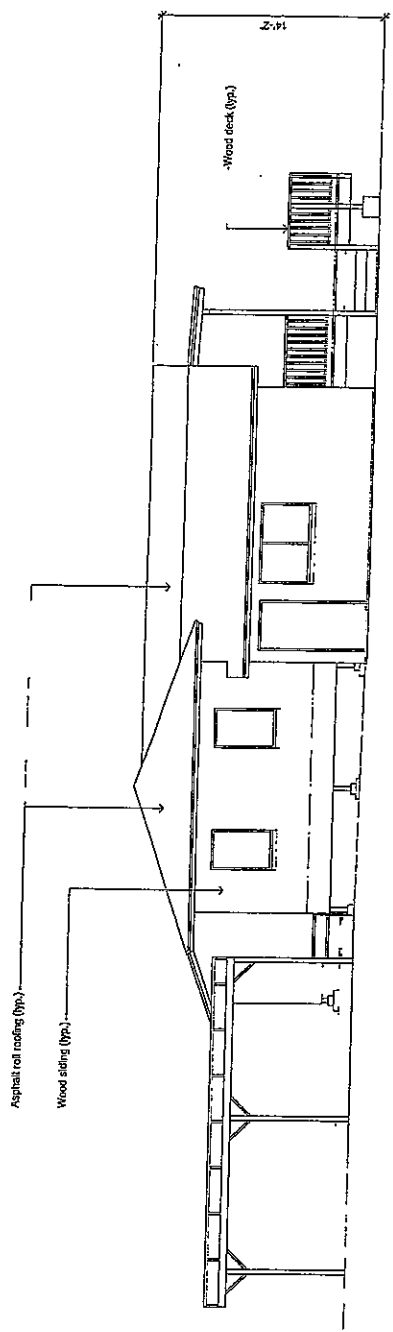
EXHIBIT B-2



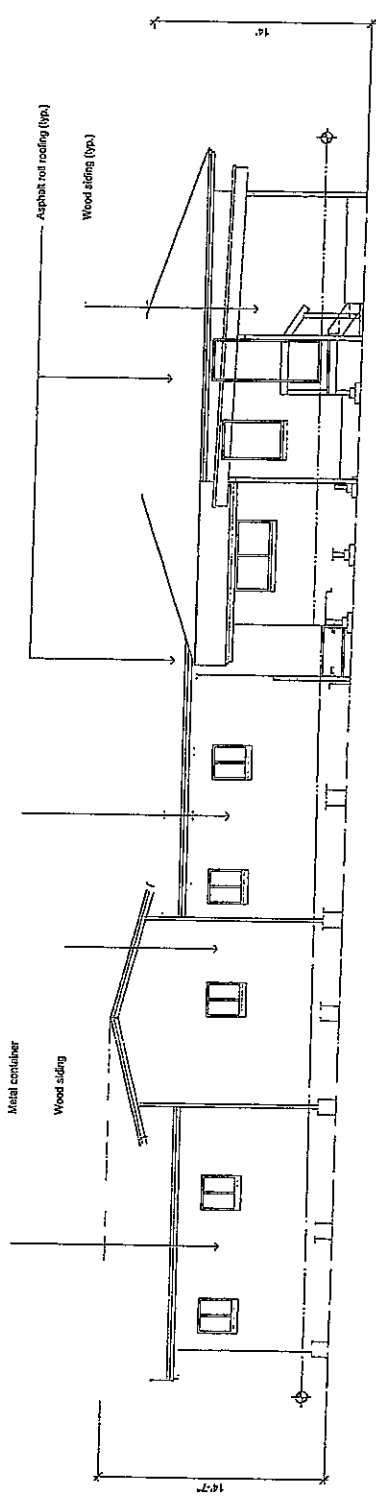
South Elevation
SCALE: 1/4" = 1'-0"



East Elevation
SCALE: 1/4" = 1'-0"



West Elevation
SCALE: 1/4" = 1'-0"



North Elevation
SCALE: 1/4" = 1'-0"

EXHIBIT B-4

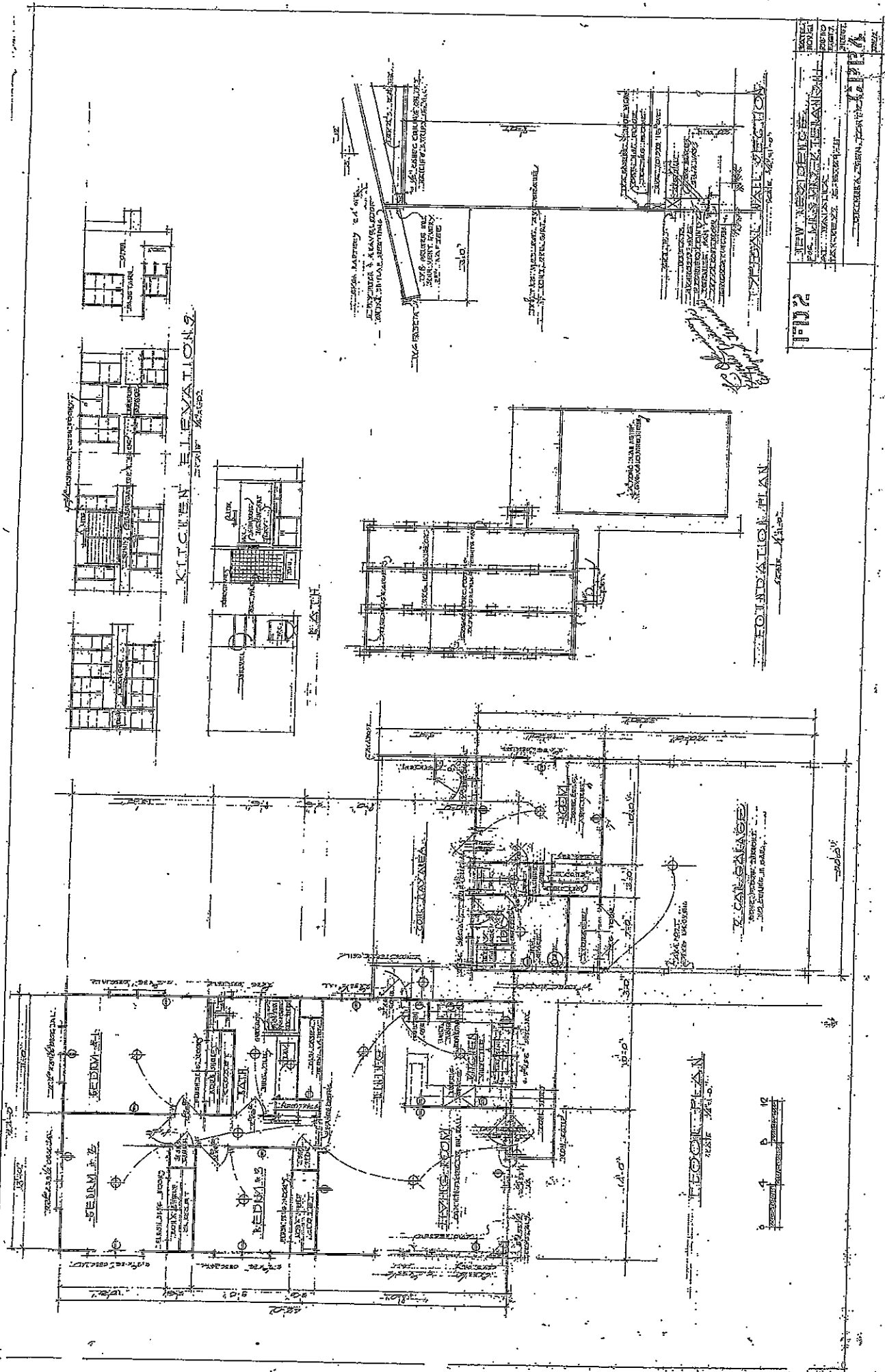
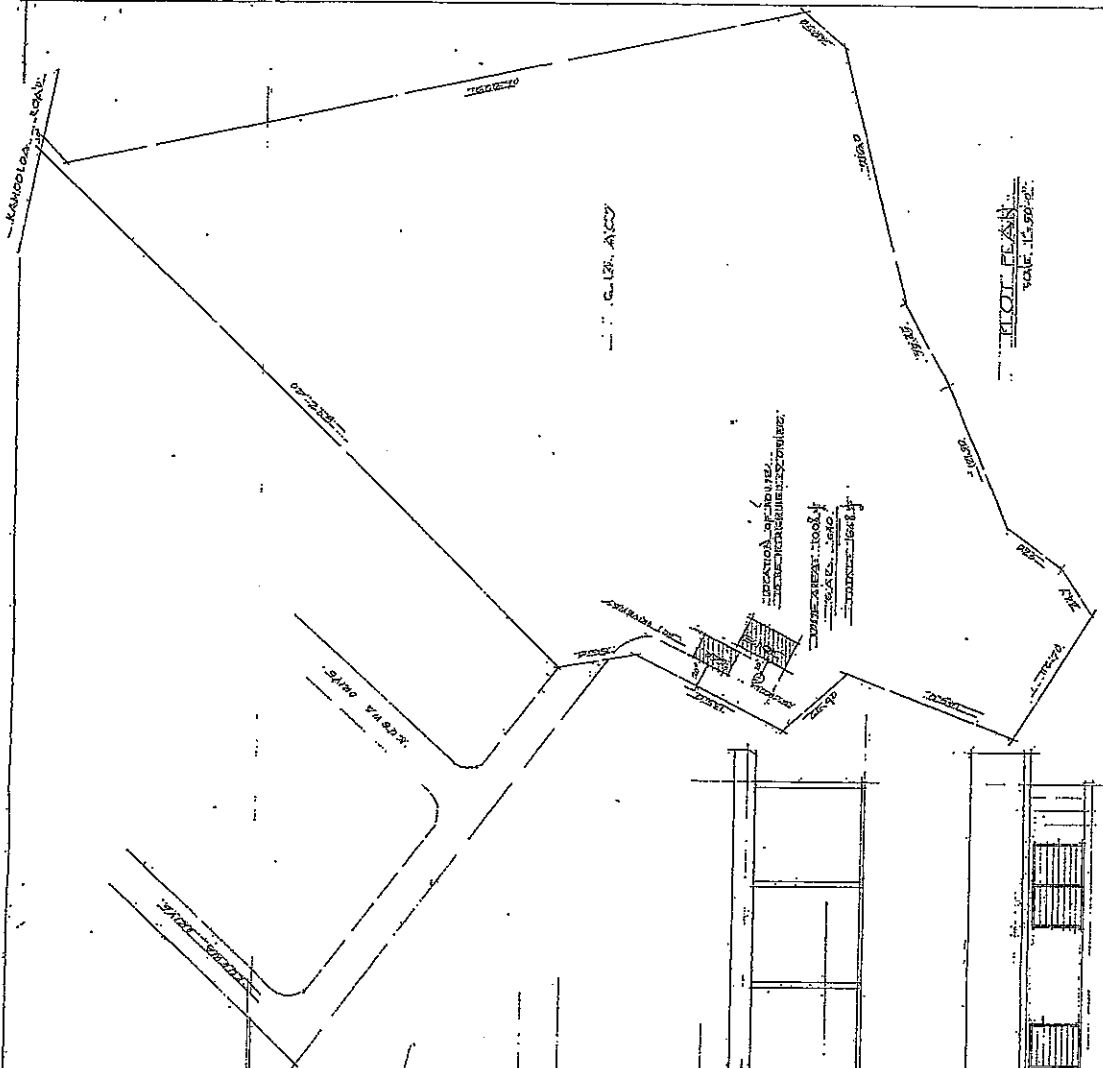


EXHIBIT B-5



NEW RESIDENCE	1112	12
1112	12	12
1112	12	12
1112	12	12
1112	12	12

1112	12	12
1112	12	12
1112	12	12
1112	12	12
1112	12	12

1112	12	12
1112	12	12
1112	12	12
1112	12	12
1112	12	12

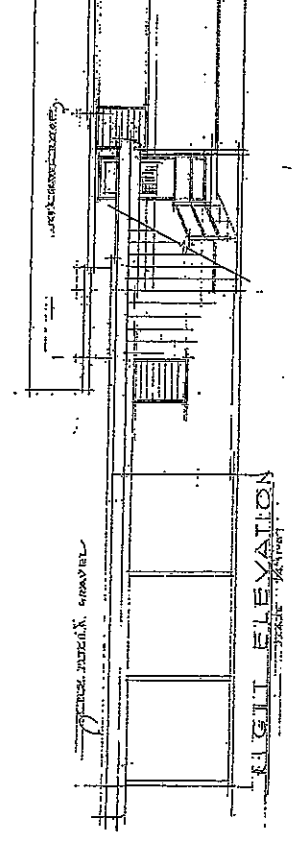
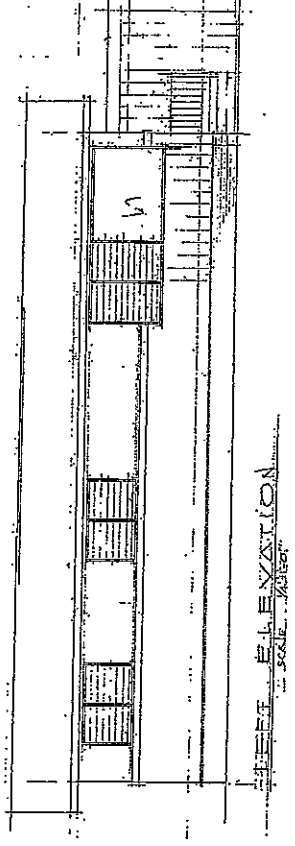
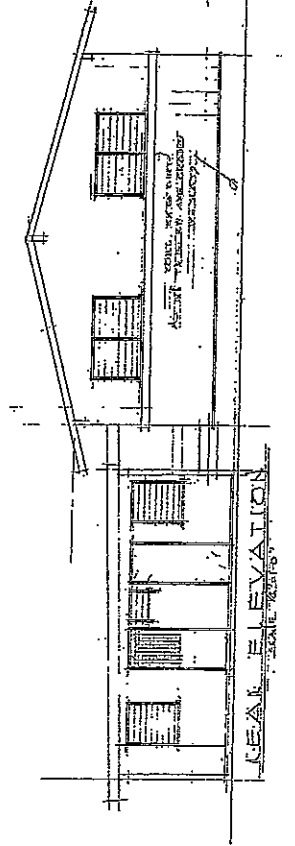
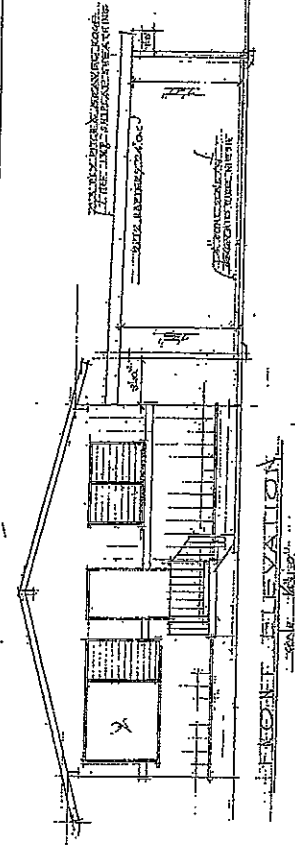
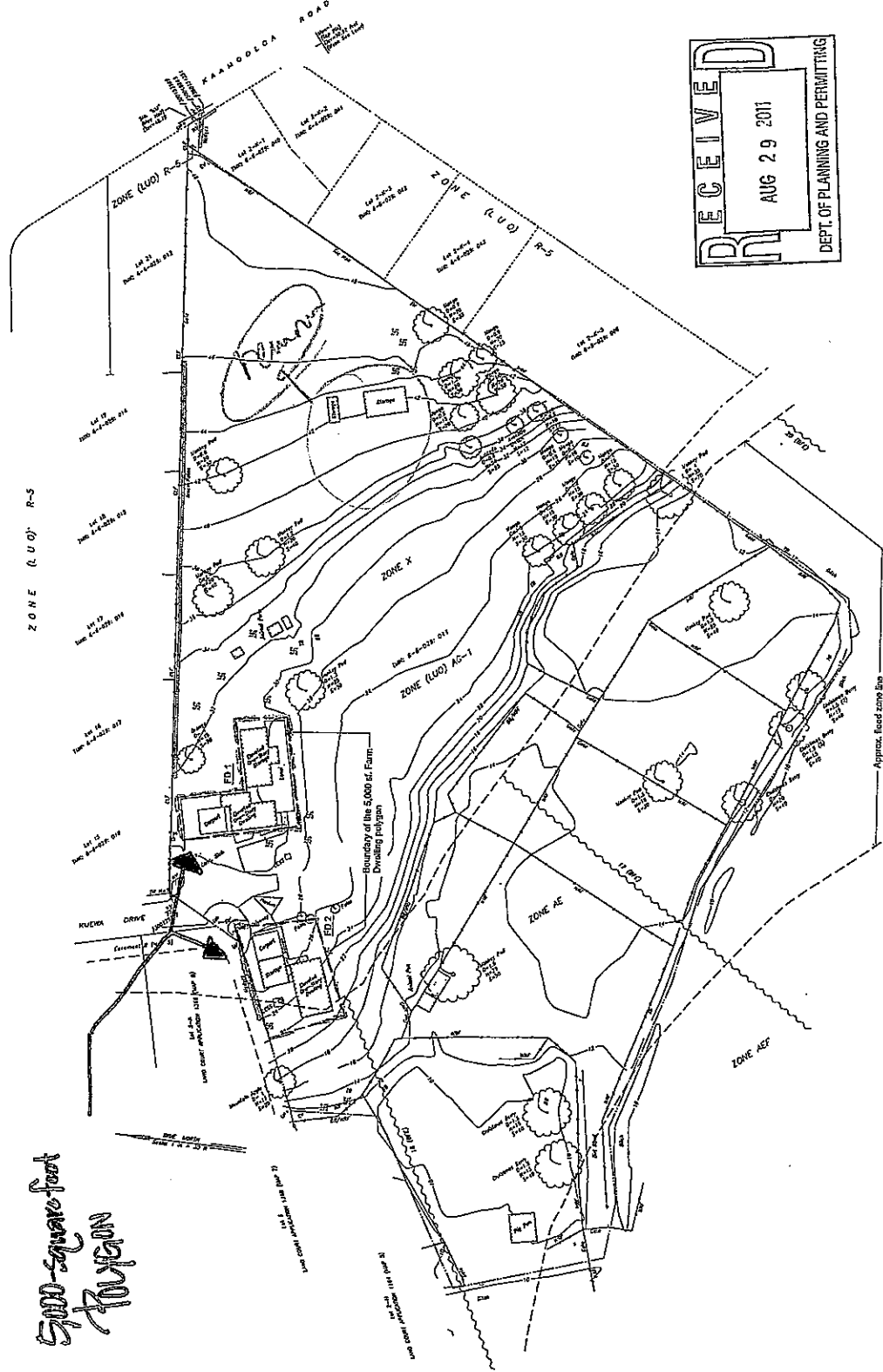


EXHIBIT B-6

PATRICK SEGURANT
ARCHITECT

Triple K Farms - Rivera Residence
A Condominium Property Regime for the
Units 66-952 & 66-952A
EXISTING SITE PLAN
Task Map Key: 8-6-028, 011
86-952 Kiewit Drive, Wailuku, Oahu

Date	8/29/11
Scale	As Shown
Revised	PBS
Job	2011-01
Sheet	CPR-0
Of	1



RECEIVED
AUG 29 2011
DEPT. OF PLANNING AND PERMITTING

EXHIBIT B-7

DEPARTMENT OF PLANNING AND PERMITTING
OF THE CITY AND COUNTY OF HONOLULU

STATE OF HAWAII

IN THE MATTER OF THE APPLICATION)
)
 OF)
)
 ROCKY AND PAMELA RIVERA)
)
 FOR A VARIANCE)
)
 _____)

I certify that this is a full, true and
correct copy of the original document
on file with the Department of Planning
and Permitting, City and County of Honolulu.

Robert B. Bunker
NOV. 15, 2011
DATE

FILE NO. 2011/VAR-19

FINDINGS OF FACT, CONCLUSIONS
OF LAW, AND DECISION AND ORDER

I. APPLICATION

A. Basic Information:

APPLICANT: Rocky and Pamela Rivera
LANDOWNER: Rocky and Pamela Rivera, and Troy Achiu
AGENT: Patrick Seguirant, Architect
LOCATION: 66-952 and 66-952 A Kuewa Drive – Kamananui (Waialua)
TAX MAP KEY: 6-6-29: 11
LAND AREA: 6.14 Acres
ZONING: AG-1 Restricted Agricultural District and
R-5 Residential District (approx. 283 square feet)
STATE LAND USE: Agricultural District
Urban District

The Department of Planning and Permitting (DPP) held a public hearing on
September 15, 2011, in the Mission Memorial Hearings Room, to consider the
application. The Applicant and all other interested persons present were given an
opportunity to be heard. The record of the hearing is on file with the Department.

Mailed NOV 15 2011
Date

- B. Proposal: The variance is to allow the reconstruction of two existing nonconforming single-family (farm) dwellings on a 6.14-acre AG-1 Restricted Agricultural District lot that lacks the minimum lot area required for two single-family dwellings. The required lot area for each farm dwelling is five acres. Thus, the site lacks 3.86 acres, or 77 percent, of the additional lot area required for the second dwelling.

The Applicant seeks to modify "Farm Dwelling No. 1" (the Rivera dwelling) by converting the storage area to living areas and connecting those to the main dwelling. However, that would not increase the density nonconformity, and is permitted without a variance. See Exhibits B-1 through B-7.

- C. Variance Required: Land Use Ordinance (LUO) Sections 21-3.50-4(b) (Table 21-3.1), 21-4.110(d), 21-5.250(a), and 21-8.30(a), relating to minimum lot area, nonconforming dwelling units, farm dwellings, and housing (Site Development Plan) regulations.
- D. Applicant's Justification: The Applicant provided justification statements that are part of the file.

II. FINDINGS OF FACT

On the basis of the evidence presented, the Director has found:

- A. Description of Site and Surrounding Uses: The 6.14-acre site is a diamond-shaped lot that is wedged between two small residential subdivisions on the north and east. The adjacent residential areas are zoned R-5 Residential District and largely developed with single-family dwellings. The site itself is split-zoned AG-1 Restricted Agricultural District and R-5 Residential District, but the R-5 portion is only about 283 square feet. On the south and west, the site is bordered by lots in the AG-1 District. A commercial property is located along Kaukonahua Road, approximately 2,000 feet east of the site.

The site contains two single-family dwellings. The Applicant purchased the site in 1999 with the existing dwellings in their present locations. The Rivera Dwelling was constructed in 1930 and has been expanded over time to include a carport, bedrooms, bathrooms, living areas, and storage areas. The second dwelling (Achiu Dwelling) was constructed in 1962 and has approximately 1,455 square feet of floor area and 1,855 square feet of building area. A portion of the Achiu Dwelling is in Flood Zone AE as noted on Flood Insurance Rate Map No. 15003C0105H, effective January 19, 2011. See Exhibit A-3.

- B. Nonconformities and/or Irregularities: The site currently contains two single-family dwellings; however, the lot lacks the minimum lot area required for two single-family dwellings in the AG-1 District.

Additionally, by its letter of October 13, 1999, the DPP confirmed that the two existing dwellings on the site were recognized as having been legally established and were nonconforming dwelling units. The DPP further stated that if the "farm dwelling area" (FDA) as defined by a polygon that encompasses each farm dwelling and its accessory uses and/or structures was more than 5,000 square feet, the FDA would be considered nonconforming also. However, the Applicant's agent confirmed that each dwelling,

including its accessory uses and structures, did not exceed the 5,000-square-foot FDA limit. See Exhibit B-7.

C. Building Permits:

The following building permits were approved for the site:

Permit Number	Approval Date	Purpose
189565	January 22, 1962	Single-family Dwelling (Achiu Dwelling)
110741	October 31, 1978	Double Carport (Rivera Dwelling)
514970	November 8, 2000	Solar Installation (Achiu Dwelling)
515810	December 1, 2000	Solar Installation (Rivera Dwelling)
522930	June 22, 2001	Storage and Deck Addition (Rivera Dwelling)

- D. Public Hearing Testimony: The agent spoke in support of the request. He stated that up until the adoption of the LUO in 1986, the two single-family dwellings were compliant with the development standards of the underlying zoning district. However, with the adoption of the LUO, the subject parcel was zoned AG-1 Restricted Agricultural District with a minimum of five acres per dwelling effectively creating two nonconforming single-family dwelling units on the lot. The agent also explained that the rationale for creating a large AG-1 District lot, sandwiched between two residential areas was unclear because it appears that no consideration was given to the two existing dwellings when the zoning line was drawn. The agent gave further background by explaining that the form of ownership is shared between the two families on the site; each own 50 percent of all the structures and land on the lot. The agent stated that other options were considered before settling on the variance option. For example, a zone change was considered, but that could increase the possibility of more intense use of the land. That option was deemed inappropriate by the owners because they did not want to increase the potential density of the site.

The hearings officer asked the agent to clarify what uses were on the site. The agent explained that, in addition to the dwellings, the Achius raise goats and have horses, and the Riveras have a plumeria farm. All the agricultural activities on the site are intended to be commercial operations and that the families are working to increase productivity. The hearings officer asked if any farming or agricultural activity would be interrupted if the site were to be rezoned to Residential. The Applicant and agent explained that rezoning the property to residential use would eliminate the opportunity for agricultural production on the site. The agent further explained that the business entity, Triple K Farms, was created for the commercial agriculture use on the site.

The agent explained that the Achiu dwelling currently lies within the Flood District and could not be rebuilt in the same location. The Applicants clarified that they do not seek to make the dwellings larger then demolish the older portions although that is permitted by the LUO. Rather they wish to rebuild the dwelling outside of the floodway.

The agent concluded by explaining that rezoning the site to a Residential District might not be possible because of a lack of infrastructure. Specifically, the site is not served by the City sewer system. The agent stated that he would check on the adequacy of the system and then report to the staff planner. (Note: After the public hearing, the agent

submitted documentation to the DPP that confirmed that the site cannot be connected to the sewer system, and that the use of the cesspools for sewage disposal may continue for the life of the dwellings. However, reconstruction of the dwellings would require that a septic system be provided for each dwelling; there is adequate space on the site to accommodate two separate septic systems.)

III. ANALYSIS

- A. The Director may grant a variance upon the ground of unnecessary hardship if the record shows that (1) the Applicant would be deprived of the reasonable use of such land or building if the provisions of the zoning code were strictly applicable. The Applicant would be denied reasonable use if not allowed to reconstruct two nonconforming single-family (farm) dwellings on a 6.14-acre lot zoned AG-1 Restricted Agricultural District. The two dwellings have existed on the site since 1962, and were legally established. However, they now exceed the maximum density (number of dwelling units) permitted on the site by one, and both dwellings are considered nonconforming dwellings. Under the LUO nonconformity provisions, the Applicant is free to alter, enlarge, repair, or move the dwellings, provided all other provisions of the zoning code are met. The dwellings may also be retained indefinitely unless they are destroyed by any means to an extent exceeding 50 percent of their replacement cost (at the time of destruction). Conceivably, the dwellings could be reconstructed in 50 percent increments. Or, the dwellings could be enlarged, for example, by 100 percent (or whatever extent allowable within the 5,000-square foot FDA), and the older portion demolished afterward. It can be seen that the LUO provisions would enable an owner to retain the nonconforming density and/or dwelling indefinitely, provided reconstruction is done incrementally. However, due to various factors, including the age, condition, and location of the dwellings, the Applicant seeks a variance to reconstruct the dwellings. Another option would be to rezone the site or a portion of it to a Residential District, sufficient to allow two dwelling units. That would expand the split-zoning of the site, and could also increase the density potential of the site substantially. The Applicant states that that is not the objective. Moreover, rezoning to Residential would make the agricultural use of the site nonconforming or require its discontinuation. Viewed in this light, it can be seen that the variance proposal is a reasonable solution that would enable the Applicant to retain the existing low-density residential use as well as maintain the existing agriculture use.
- B. The Director may grant a variance upon the ground of unnecessary hardship if the record shows that (2) the request of the applicant is due to unique circumstances and not the general conditions in the neighborhood, so that the reasonableness of the neighborhood zoning is not drawn into question. The request is due to unique circumstances. A large portion of the site is between two residential subdivisions which consist of lots ranging in size from about 5,000 square feet to 19,000 square feet. Thus, the adjacent lots are significantly smaller than the site, and they permit a greater density. In contrast, the site is a 6.14-acre lot that is used for agricultural purposes and two accessory farm dwellings. As indicated above, the agricultural uses are a permitted principal use of the site, which the Applicant seeks to continue. The dwellings are typical accessory uses necessary to support the agricultural use. They may be described as a low-density residential use equal to about one dwelling per three acres. It should be noted that when a new zoning code is adopted and associated broad-brush zoning changes made, it is generally not possible to accommodate all existing uses. That is,

such changes often create many nonconformities, including uses, structures, and density. Further, it may be that a solution to eliminate one nonconformity may create another. For example, in this case, it is likely that rezoning the site to address the density problem would create a nonconforming agricultural use. And, although the zoning code contains Existing Use (EU) provisions to address existing uses that involve dwelling units that exceed the maximum number ordinarily permitted on a zoning lot, those provisions do not apply to two dwelling units. Moreover, the EU provisions require that EU permits pertaining to dwelling units require that they conform to the requirements relating to minimum land area and maximum number of dwelling units. Thus, the variance is the only option that is able to address all concerns.

- C. The Director may grant a variance upon the ground of unnecessary hardship if the record shows that (3) the request, if approved, will not alter the essential character of the neighborhood nor be contrary to the intent and purpose of the zoning ordinance. The proposal will not alter the essential character of the neighborhood. The two dwellings have existed on the subject site for almost 50 years and are an integral part of the neighborhood fabric. The dwellings have been maintained and slightly expanded over the years without any apparent negative impacts on the surrounding neighborhood. The request is consistent with the surrounding neighborhood in that it will not increase the density of the site and/or is significantly less than the density of the surrounding neighborhood.

The AG-1 District permits agricultural use of the property and accessory farm dwellings. The request to allow two dwellings on the site will not undermine the purpose of the agricultural district regulations, since the proposed density would not interfere with or preclude the agricultural uses. The Applicant suggests that the farm dwellings are essential to the viability of the farm activities on the site. It is important to note that other alternatives to the request for a zoning variance were deemed unfeasible or excessive. For example, if the zoning of the lot were changed from AG-1 Restricted Agricultural to AG-2 General Agricultural, Country, or R-5 Residential District, that could result in more than the existing density, and increase the potential negative impacts. In contrast, the variance request would allow the Applicant to preserve the vast majority of the site for agricultural activities and limit the two existing dwellings to a combined area of 10,000 square feet each, which is less than four percent of the lot area. The proposal does not conflict with the general nonconformity provisions of the LUO which would permit the nonconforming dwellings on the site to remain indefinitely, subject to certain conditions.

IV. CONCLUSIONS OF LAW

The Director hereby makes the following Conclusions of Law:

- A. There is evidence that the Applicant would be deprived of a reasonable use of the land or building if the provisions of the zoning code were strictly applied.
- B. The request of the Applicant is due to unique circumstances and not to general neighborhood conditions, and it does not question the reasonableness of the neighborhood zoning.
- C. The request will not alter the essential character of the neighborhood and/or be contrary to the intent and purpose of the zoning ordinance.

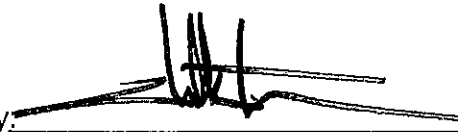
V. DECISION AND ORDER

Pursuant to the foregoing Findings of Fact and Conclusions of Law, the Director of the Department of Planning and Permitting hereby APPROVES the application for a variance to allow the reconstruction of two nonconforming single-family (farm) dwellings on an AG-1 Restricted Agricultural District lot that lacks the minimum lot area required for two single-family (farm) dwellings, subject to the following conditions:

- A. The dwellings shall be used and/or maintained as "farm dwellings" as defined by the Land Use Ordinance (LUO) and shall be subject to LUO Section 21-5.250(b), which requires that each farm dwelling and any accessory uses to the dwelling be contained within an area not to exceed 5,000 square feet of the lot.
- B. All future development shall comply with the LUO development standards for the AG-1 Restricted Agricultural District and all other applicable regulatory development standards.
- C. This variance may be revoked by the Director when, due to a material change in circumstances, one or more of the three Charter-required findings of hardship can no longer be made; or when there is a breach of any of the conditions above stated; provided that, for good cause, the Director may amend the above conditions.

Dated at Honolulu, Hawaii, this 14th day of November, 2011.

Department of Planning and Permitting
City and County of Honolulu
State of Hawaii

By: 
David K. Tanoue, Director

DKT:rk

Attachments

RIVERAvarFOF.b2.doc

June 4, 2012

Mr. Rocky Rivera
66-952 Kuewa Drive
Waialua, HI 96791

Project: Triple K Farms Condominium
66-952 and 66-952A Kuewa Drive – Waialua, Oahu
Tax Map Key 6-6-29: 11

Dear Mr. Rivera:

On Thursday, March 22, 2012, and Tuesday, May 29, 2012 I made limited visual observations of the structures and plumbing and electrical systems of the two (2) dwellings whose addresses are 66-952, and 66-952A Kuewa Drive (the "Project"). I was able to walk around and enter the structures. Both dwellings contain carports and are serviced by cesspools. Two (2) farm dwellings can be reconstructed in accordance with the zoning variance (2011/VAR-19) approved by the Department of Planning and Permitting on Nov. 14, 2011.

Based on building permit research performed during the zoning variance application process the buildings in the Project appear to have been built between 1930 and 1962. The dwellings are generally of single-wall post and pier construction. The storage areas of the dwellings were constructed using metal storage containers. In general, the dwellings and carports are subject to wear and tear commensurate with its age and location on the North Shore of Oahu. My observations of the dwellings and carports are as follows:

1. Some of the buildings and related structural components at Unit 66-952 appear to be in poor structural condition. Some wood members at this dwelling have experienced some termite and/or water damage. This damage has occurred in posts, roof rafters, flooring, trims, slats, water stops, siding, doors and windows. If this damage is not repaired in a timely manner, it may lead to structural instability. There is no recent record of termite inspections being performed on the dwellings. More detailed inspections, treatment, and/or repairs to investigate and/or mitigate the presence of termites and termite/water damage are recommended.
2. There are many aspects of the current buildings that do not meet current building code requirements. Some of these conditions could be determined to be nonconforming by a county building code official.
3. The exterior painted surfaces at some locations are in poor condition as there is evidence of cracking, peeling and spalling.
4. A water leak within the shower wall of Unit 66-952 has contributed to visible and hidden water damage and damage to wall finishes surrounding the leak.

5. The roofing for the dwellings appeared to be intact. However, leaks were apparent at the exterior roof of Unit 66-952. Roof leaks occur at the corrugated metal carport roof, the exterior of the storage area, and at the roof connections between the storage area and main dwelling.
6. The electrical systems of the dwellings appear in working condition. Electrical systems are comprised of romex and knob and tube construction. Electrical power and telephone services have been provided through pole mounted service lines and should be engineered to meet current code requirements. Some of the electrical equipment is well past its useful life and in poor condition. There are many aspects of the current electrical service that do not meet current codes.

Some electrical fixtures and switches in Unit 66-952 were not in working condition. A prospective buyer is urged to perform their own inspections, of individual units, to determine the adequacy of electrical systems and whether these systems should be upgraded in part or replaced in its entirety.

7. The plumbing systems of the dwellings appear to be in good working condition. Each dwelling is individually metered with the water meters located on Kuewa Drive and Kaamooloa Road. Partial plumbing system improvements for the homes were made as part of subsequent additions. Cast iron, copper, and galvanized steel piping materials were observed in the dwellings. The copper piping was installed where repairs or alterations were done.

There was no evidence of corrosion or poor water pressure. All plumbing fixtures were in working condition, except that hot water was not available in one of the bathrooms at Unit 66-952. The Owner reported this repair would be completed by the end of the week. Discolored water was not observed in the units. Discolored water is sometimes an indication of corrosion or rusting of the interior surfaces of the pipes. While there may be other reasons for discoloration of the domestic water, it is evidence the water quality of some of the units has been compromised.

None of the houses have a garbage disposal unit. All cooking is done with electricity. Solar systems are being utilized at each home for hot water. Gas is used for some household appliances at Unit 66-952. In addition, a pipe leak within the Laundry Room wall of Unit 66-952 was observed. A prospective buyer is urged to perform their own detailed inspection of the water and sewer systems.

8. It was evident that some work on the property was performed without the proper building permits. It is my understanding the Owner will disclose areas of work performed without building permits.

The observations made are to the best of my knowledge. My observations during these site visits did not include invasive or destructive testing, so the extent of any damage or deterioration on concealed items was not determinable. Due to my limited observations, the existence of lead paint, asbestos, environmentally toxic materials, air quality, and other problems were not observable. Retention of specialty contractors is needed to test for these conditions. In addition, my visits did not include observations or testing for foundation or soil conditions, soil quality, roofing, termite or other pests, laboratory testing, study of violations, site drainage or flooding, below grade utilities, mold, sidewalk or storm drain improvements, traffic

Mr. Rocky Rivera
June 4, 2012
Page 3 of 3

safety, landscape features, property line encroachments, or water infiltration on the Project. A decision to test for these conditions and/or to follow up with the recommendations made herein should be made by a management company and/or Owner(s).

I have been informed that the Owner will be disclaiming any warranties relating to the construction, materials, design or workmanship of the dwellings, soil or the common elements of the Project, except that the Owner will be transferring the interior appliances and the electrical, and plumbing systems for individual units in an "as-is" condition. Accordingly, I am not making any statement or representation as to the remaining useful life of the items referenced above. Further, my visual observations should not be a substitute for a more complete inspection by a prospective buyer of a unit in the Project. A prospective buyer is urged to understand the importance of making their own investigation or having an investigation made by trained professionals of the unit and the Project.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick Seguirant", written in a cursive, flowing style.

Patrick Seguirant, Architect